

# THE ALGOMA STEEL CORPORATION, LIMITED

503 QUEEN STREET EAST, SAULT STE. MARIE, ONTARIO

To the Shareholders:

Included in this booklet are the notice of the annual and general meeting of shareholders to be held on April 20, 1982, a form of proxy, and an information circular containing in some detail matters to be dealt with at the meeting, including Special By-law 6 and By-law 7.

The interest of shareholders in the affairs of the Corporation is always encouraging. This interest has been reflected by the number of shareholders represented in person or by proxy at the annual meetings of shareholders in recent years. Your continued participation in this regard would be appreciated.

If you plan to attend the meeting it would be helpful if you would let the Secretary know in advance. Whether or not you plan to attend, we would appreciate your signing and returning the enclosed proxy form to assure that you are represented by proxy if something should arise preventing you from attending the meeting.

**Peter M. Nixon**

President and  
Chief Operating Officer

**John Macnamara**

Chairman and  
Chief Executive Officer

# THE ALGOMA STEEL CORPORATION, LIMITED

## Notice of Annual and General Meeting of Shareholders

April 20, 1982

Sault Ste. Marie,  
Ontario  
March 23, 1982

To the Shareholders:

Please take notice that the annual and general meeting of shareholders of The Algoma Steel Corporation, Limited will be held at the Windsor Park Rodeway Inn in the City of Sault Ste. Marie, Ontario, Canada, on Tuesday, April 20, 1982 at the hour of 2:15 o'clock in the afternoon. The purposes of the meeting are:

1. To receive and consider the annual report and the consolidated financial statements of the Corporation for the year ended December 31, 1981 and the auditor's report thereon.

2. To consider, and if thought advisable, to confirm with or without variation Special By-law 6 passed by the directors on December 2, 1981, relating to the transfer of the duty of presiding at shareholders' meetings from the President to the Chief Executive Officer and which requires confirmation by at least two-thirds of the votes cast at a general meeting of shareholders duly called for that purpose.

3. To consider, and if thought advisable, to confirm with or without variation By-law 7 relating to the remuneration of directors, passed by the directors on December 2, 1981.

Copies of the above mentioned Special By-law 6 and By-law 7 are included in the information circular.

4. To elect directors.

5. To appoint the auditor and to authorize the board of directors to fix its remuneration.

6. To transact such other business as may properly be brought before the meeting.

By Order of the Board of Directors

JOHN J. MacDONALD

Secretary

**Note:** If you cannot be present in person, please sign and return the enclosed proxy form in the stamped addressed envelope provided. By resolution of the board of directors, proxy forms to be used at this meeting must be deposited either with the Secretary of the Corporation or the Corporation's agent, Montreal Trust Company, not less than 24 hours preceding the time of the meeting - that is before 2:15 p.m., Monday, April 19, 1982.

## **INFORMATION CIRCULAR**

The annual and general meeting of shareholders of The Algoma Steel Corporation, Limited (the "Corporation") will be held at the Windsor Park Rodeway Inn in Sault Ste. Marie at 2:15 p.m., Tuesday, April 20, 1982 for the purposes set out in the notice of meeting accompanying this circular.

The Annual Report for 1981 has been forwarded to you together with this circular. This circular provides information about voting and intended use of proxies at the meeting, the persons proposed to be nominated for election as directors, and other matters which will be of interest to shareholders.

### **VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

On February 26, 1982 there were 14,029,353 common shares of the Corporation issued and outstanding and they are the only shares of the Corporation entitled to be voted at the meeting. Each common share registered in a shareholder's name on the date of the meeting entitles the holder thereof to one vote. Canadian Pacific Enterprises Limited, of Montreal, Quebec, (a subsidiary of Canadian Pacific Limited), owned directly or indirectly, on February 26, 1982, 8,084,831 common shares representing approximately 57.63% of the common shares outstanding.

### **PROXIES AND VOTING**

Shareholders unable to attend the annual and general meeting are requested by management to complete and return the accompanying proxy form. These proxy forms are solicited by the management of the Corporation at Corporation expense and primarily by mail, though occasionally individual proxies may be solicited by telephone by regular Corporation employees. It is considered desirable that shareholders unable to attend personally be represented by proxy.

By resolution of the board of directors, all forms of proxy for use at the meeting must be deposited either with the Secretary of the Corporation or the Corporation's agent, Montreal Trust Company, at least twenty-four hours in advance, that is by 2:15 p.m., Monday, April 19, 1982.

**The persons named in the enclosed form of proxy will vote for or against**

**(a) confirmation of Special By-law 6**

**(b) confirmation of By-law 7**

**in each case as directed by the shareholder completing the enclosed form of proxy, subject to Section 119 of the Business Corporations Act, (R.S.O. 1980 c.54 as amended) and failing such direction in any of the two cases will vote for confirmation thereof.**

**Those named in the enclosed form of proxy will vote for the election of directors and the appointment of the auditor and authorization of the board of directors to fix the auditor's remuneration as indicated below.**

**The enclosed form of proxy confers discretionary authority with respect to amendments or variations to matters identified in the notice of meeting and other matters which may properly come before the meeting. At the time of printing this circular the management of the Corporation is not aware that any such amendments, variations or other matters are to be presented for action at the meeting.**

**If you would prefer to appoint someone other than the persons named on the enclosed proxy form, simply strike out the printed names and print the name of your appointee in the space provided. To be valid, however, any proxy form must be deposited twenty-four hours before the meeting.**

**A completed proxy form once deposited may be revoked at any time by written notice (under seal for a corporation) deposited with the Secretary of the Corporation or with the chairman of the meeting, or by any other means provided by law.**

### **CONFIRMATION OF SPECIAL BY-LAW 6**

**On December 2, 1981 the directors passed Special By-law 6 amending the by-laws for the Corporation relating to the transfer of the duty of presiding at shareholders' meetings from the President to the Chief Executive Officer. A copy of Special By-law 6 is set out below and will be presented to the meeting for confirmation.**

## **SPECIAL BY-LAW 6**

A by-law to amend BY-LAW 1 and SPECIAL BY-LAW 2 and requiring confirmation by at least two-thirds of the votes cast at a general meeting of shareholders duly called for that purpose of

### **THE ALGOMA STEEL CORPORATION, LIMITED**

BE IT ENACTED as a special by-law of THE ALGOMA STEEL CORPORATION, LIMITED ("Corporation") as follows:

## **SECTION ONE**

### **DUTIES OF CERTAIN OFFICERS**

1.01 BY-LAW 1 of the Corporation is hereby amended by deleting Sections 5.04, 5.05 and 5.07 of BY-LAW 1 and substituting therefor the following:

5.04 Chairman of the Board of Directors - There shall be a chairman of the board and he shall be elected by the directors from among themselves. The chairman of the board shall preside at all meetings of the board and he shall have such other powers and duties as may be assigned to him by the board from time to time. If the chairman of the board has been designated as chief executive officer, he shall have the powers and responsibilities and perform the duties herein prescribed for the chief executive officer.

5.05 President - The president shall in the absence of the chairman and the vice chairman of the board, preside at all meetings of the board and shall perform such other duties as may be assigned to him by the board. If the president has been designated as chief executive officer, he shall have the powers and responsibilities and perform the duties herein prescribed for the chief executive officer.

5.07 Chief Executive Officer - The board shall designate either the chairman of the board or the president to be the chief executive officer of the Corporation, who, as such, shall be an officer of the Corporation and shall, in conformity with the directions of the board, exercise general control of and supervision over all the Corporation's affairs, its officers and employees and cause the business of the Corporation to be carried on. The chief executive officer shall preside at all meetings of the shareholders and in the absence of the chief executive officer then whoever of the chairman of the board or the president is not the chief executive officer shall preside at the meeting of the shareholders.

## **SECTION TWO**

### **REPEAL OF PART OF SPECIAL BY-LAW 2**

2.01 SPECIAL BY-LAW 2 of the Corporation be and it is hereby amended by repealing Sections 1.01, 1.02 and 1.03 of SPECIAL BY-LAW 2.

## **SECTION THREE**

### **AMENDMENTS AND COMING INTO FORCE**

3.01 Any action taken or resolution passed pursuant to Sections 5.04, 5.05 and 5.07 of BY-LAW 1 and Sections 1.01, 1.02 and 1.03 of SPECIAL BY-LAW 2 prior to the making of the above amendments shall not be affected in any way by the above amendments.

## **SECTION FOUR**

### **MISCELLANEOUS PROVISIONS**

4.01 Words and terms which are defined in BY-LAW 1 of the Corporation and which are used herein shall have the same meaning as they do in BY-LAW 1.

PASSED by the board the 2nd day of December, 1981.

**JOHN MACNAMARA**

Chairman and  
Chief Executive Officer

**JOHN J. MacDONALD**

Secretary

## **CONFIRMATION OF BY-LAW 7**

On December 2, 1981 the directors passed By-law 7 amending the by-laws for the Corporation with respect to the remuneration of directors. A copy of By-law 7 is set out below and will be presented to the meeting for confirmation.

### **BY-LAW 7**

A by-law to amend BY-LAW 4 and requiring confirmation of the shareholders at a general meeting of the shareholders duly called for that purpose of

THE ALGOMA STEEL CORPORATION, LIMITED

BE IT ENACTED as a by-law of THE ALGOMA STEEL CORPORATION, LIMITED ("Corporation") as follows:

### **SECTION ONE**

#### **REMUNERATION OF DIRECTORS**

1.01 BY-LAW 4 of the Corporation be and it is hereby amended by deleting Section 1.01 (a) of BY-LAW 4 and substituting therefor the following:

1.01 (a) Each director of the Corporation shall be paid for his services as director \$6,000 per annum and any director who is a member of the Executive Committee of the board shall be paid an additional \$2,500 per annum. In addition, any director who is chairman of the Audit Committee shall be paid \$1,000 per annum and each director shall be paid \$400 for each meeting of the board or any committee thereof attended by him during his term of office. Notwithstanding the foregoing, no director of the Corporation who is an officer or employee of the Corporation shall be paid for his services as a director, a member of the Executive Committee or as chairman of the Audit Committee and no director of the Corporation who is an officer or employee of the Corporation shall be paid in his capacity as a director for attending any meeting of the board or any committee of the board. The directors shall be reimbursed for their out-of-pocket expenses incurred in attending board, committee or shareholders' meetings or otherwise in respect of the performance by them of their duties.

## **SECTION TWO**

### **AMENDMENT AND COMING INTO FORCE**

2.01 Section 1.01 (a) of BY-LAW 4 shall cease to have any effect upon confirmation of this BY-LAW 7 by the shareholders of the Corporation in accordance with the Act. Any action taken or resolution passed pursuant to Section 1.01 (a) of BY-LAW 4 of the Corporation prior to the date on which this BY-LAW 7 becomes effective shall not be affected in any way.

PASSED by the board the 2nd day of December, 1981.

**JOHN MACNAMARA**

Chairman and  
Chief Executive Officer

**JOHN J. MacDONALD**

Secretary

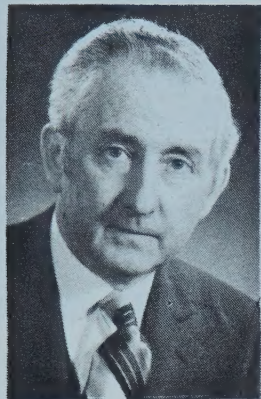
### **ELECTION OF DIRECTORS**

The board consists of twelve directors elected annually to hold office until the next annual meeting of shareholders. It is proposed that the following will be nominated at the meeting. Robert W. Campbell is being nominated for the first time. If for some reason any of the proposed nominees are unable to serve, the persons named in the proxy will use their best judgment in voting on alternate nominees.

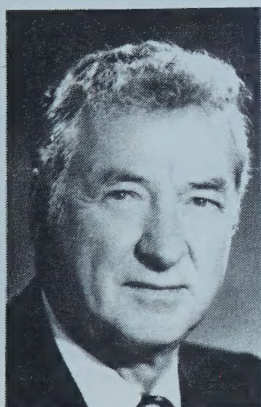
The Corporation has an Executive Committee and is required under the Ontario Business Corporations Act to have an Audit Committee.

The information below as to securities beneficially owned has been furnished by the respective directors individually, as of February 26, 1982.

### **RUSSELL S. ALLISON**



**Executive Vice-President, CP Rail, a division of Canadian Pacific Limited** (a transportation, natural resource development and manufacturing company). Mr. Allison, a resident of Westmount, Quebec, became a director of the Corporation on April 17, 1980. He is a director of Canadian Pacific Hotels Limited, Canadian Pacific Consulting Services Limited, Incan Ships Limited, The Toronto, Hamilton & Buffalo Railway Company, Shawinigan Terminal Railway Company and the Toronto Terminals Railway Company.



### **ROBERT D. ARMSTRONG**

**Former Chairman and Chief Executive Officer, Rio Algom Limited.** Mr. Armstrong, a resident of Toronto, became a director of the Corporation on April 15, 1976. He is a member of the Compensation and Executive Committees. He is also a director of Canada Permanent Mortgage Corporation and Marathon Realty Company Limited.

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### **ROBERT W. CAMPBELL**

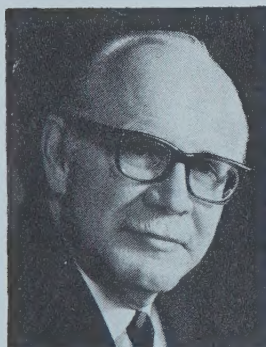
**Vice-Chairman, Canadian Pacific Enterprises Limited** (a natural resource development and manufacturing company). Mr. Campbell, a resident of Calgary, Alberta, has held this position since February of 1982. He is also Chairman and Chief Executive Officer of PanCanadian Petroleum Limited and has held this position since 1971. He is a director of Canadian Pacific Enterprises Limited, PanCanadian Petroleum Limited, AMCA International Limited, Cominco Ltd., Celanese Canada Inc. and other companies.



**JOHN MACNAMARA**

**Chairman and Chief Executive Officer, The Algoma Steel Corporation, Limited.** Dr. Macnamara was appointed a director of the Corporation on December 3, 1975 and is a member of the Executive Committee. He is a resident of Sault Ste. Marie and is a director of AMCA International Limited and Canadian Pacific Enterprises Limited.

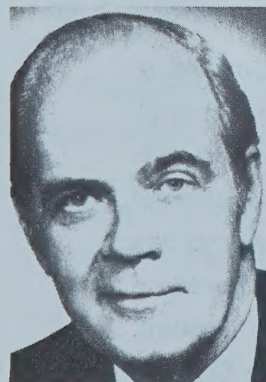
6,000



**W. EARLE McLAUGHLIN**

**Former Chairman, The Royal Bank of Canada.** Mr. McLaughlin, a resident of Westmount, Quebec, joined the board of directors of the Corporation April 18, 1962 and is a member of the Audit Committee. He is also a director of General Motors Corporation, Nabisco Brands Inc., Canadian Pacific Limited, Metropolitan Life Insurance Co., Allied Chemical Canada Limited, Canadian Pacific Enterprises Limited, Genstar Corporation, The Royal Bank of Canada and other well known companies.

240



**ARTHUR H. MINGAY**

**Chairman of the Board and the Executive Committee, Canada Trust.** A resident of Toronto, Mr. Mingay was elected a director of the Corporation on April 19, 1978. He is a member of the Audit and Compensation Committees. He is also a director of Canada Trustco Mortgage Company, The Canada Trust Company, The Mutual Life Assurance Company of Canada, Royal Insurance Company of Canada, Simpsons-Sears Limited, Simpsons-Sears Acceptance Corporation, T. I. Industries Limited, Inglis Limited and Loblaw Companies Limited.

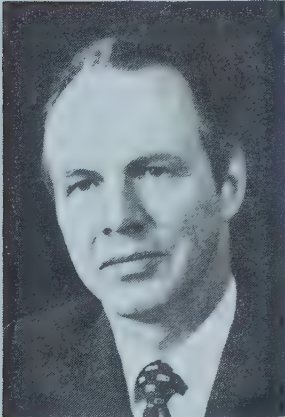
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**PAUL A. NEPVEU**

**Chairman, CIP Inc.** (diversified pulp and paper company). Mr. Nepveu retired as Vice-Chairman of Canadian Pacific Enterprises Limited in April, 1981 and was elected Chairman of the Board, CIP Inc. in October, 1981. He became a director of the Corporation on November 6, 1973 and is a member of the Executive and Compensation Committees. A resident of Laval, Quebec, Mr. Nepveu is a director of Canadian Pacific Enterprises Limited, Cominco Ltd., Great Lakes Forest Products Limited, PanCanadian Petroleum Limited, CIP Inc. and other companies.

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**PETER M. NIXON**

**President and Chief Operating Officer, The Algoma Steel Corporation, Limited.** Mr. Nixon, a resident of Sault Ste. Marie, was elected a director of the Corporation on April 21, 1981. He is also a director of AMCA International Limited, CIP Inc., Steep Rock Iron Mines Limited, Ingersoll-Rand Canada Inc. and The Mining Association of Canada.

1,382

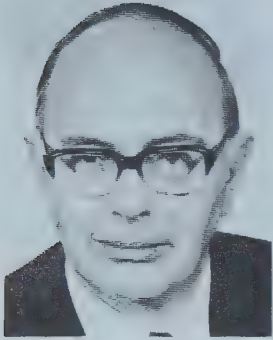


**LEONARD N. SAVOIE**

**President and Chief Executive Officer, Algoma Central Railway** (rail, truck and lake vessel transportation and real estate). Mr. Savoie became a director of the Corporation on March 2, 1971 and is a member of the Audit Committee. He is also a director of Algocen Realty Holdings Limited, All Canadian-American Investments Limited, Thibodeau-Finch Express Limited, Newaygo Forest Products Limited, Great Lakes Power Limited, E-L Financial Corporation Ltd., The Empire Life Insurance Company and Ontario Hydro. He is a resident of Sault Ste. Marie.

1,554

### W. JOHN STENASON



**President, Canadian Pacific Enterprises Limited** (a natural resource development and manufacturing company). Mr. Stenason became a director of the Corporation on December 5, 1973 and is a member of the Executive Committee. He is a resident of Montreal and is a director of Canadian Pacific Enterprises Limited, Canadian Pacific Hotels Limited, Cominco Ltd., AMCA International Limited, Fording Coal Ltd., Great Lakes Forest Products Limited, Canada Trustco Mortgage Company, AMCA International Corp., PanCanadian Petroleum Limited, Steep Rock Iron Mines Limited, Mutual Life, CIP Inc. and other companies.

1,200

### ROBERT J. THEIS



**President, Canadian Pacific Enterprises (U.S.) Inc.** (management company). Mr. Theis, a resident of Fayetteville, New York, U.S.A., is a director of Canadian Pacific Enterprises (U.S.) Inc. He became a director of the Corporation on April 17, 1980. He is also a director and Chairman of Syracuse China Corporation. He is a director of Baker Commodities, Inc., CanPac Agri-Products, Ltd., Community General Hospital, Lincoln First Bank, Manufacturers Association of Central New York, Processed Minerals, Inc. and Greater Syracuse Chamber of Commerce.

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### WALTER G. WARD



**Former Chairman, The Algoma Steel Corporation, Limited.** Mr. Ward became a director of The Algoma Steel Corporation, Limited July 1, 1977 and is a member of the Executive Committee. He is also a director of Canadian Imperial Bank of Commerce, Canadian Appliance Manufacturing Inc., Canadian Oxygen Ltd., Canada Packers Ltd., Canadian General Electric Company Limited, Kawartha Broadcasting Company Limited and a number of other companies and associations.

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## APPOINTMENT OF THE AUDITOR

Peat, Marwick, Mitchell & Co. has been auditor of the Corporation since 1950. Proxy forms given pursuant to this solicitation will be voted for its appointment at a remuneration to be fixed by the board of directors.

## REMUNERATION OF DIRECTORS AND SENIOR OFFICERS FROM ALGOMA AND ITS WHOLLY-OWNED SUBSIDIARIES (1)

		For the Year Ended December 31, 1981			Future Years Accrued Cost in Respect of Extra Compensation Plan (3)
		Aggregate Remuneration (2)	Cost of Pension Benefits	Retirement Benefits Paid	
A.	Directors (13)	\$ 115,225	NIL	NIL	NIL
B.	Five senior officers	\$1,072,014	\$135,907	NIL	\$1,411,424
C.	Officers receiving over \$50,000 (14) (including five senior officers)	\$1,909,290	\$291,498	NIL	\$1,949,680

### NOTES:

- (1) The Corporation's partially-owned subsidiaries pay no remuneration to these directors and officers.
- (2) Excludes retirement benefits paid.
- (3) Accrued as at December 31, 1981 in respect of the Corporation's Extra Compensation Plan which may become payable in the future on the retirement or termination of employment (other than for cause) or death during employment to certain officers of the Corporation.

Sault Ste. Marie, Ontario  
February 26, 1982





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**ALGOMA STEEL**

**THE  
ALGOMA STEEL CORPORATION,  
LIMITED**

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**NOTICE OF  
ANNUAL AND GENERAL  
MEETING OF  
SHAREHOLDERS  
and  
INFORMATION CIRCULAR**

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**TIME: 2:15 p.m. Eastern Standard Time,  
TUESDAY, April 20, 1982**

**PLACE: Windsor Park Rodeway Inn,  
Sault Ste. Marie, Ontario**